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APPROVAL OF UNDP ASSISTANCE TO A PROJECT OF THE GOVERNMENT OF PANAMA

Forestry Development of Panama
(PAN/79/003)

Report of the Administrator*

Date of present approval:	March 1979
Starting date of project activities:	July 1979 (planned)
Planned completion date:	December 1981
To be executed by:	Food and Agriculture Organization of the United Nations (FAO)
Government implementing agency:	Ministerio de Desarrollo Agropecuario (MIDA) through the Dirección Nacional de Recursos Naturales Renovables (RENARE)
Cost of assistance planned under present approval:	$ 467 100
Source of UNDP financing:	Indicative Planning Figure (IPF)

I. Background

1. The Panamanian Government has selected as a specific target of its economic and social development strategy, the progressive reduction of the still important regional imbalances existing in the country. Since least developed regions are those mainly located in the tropical jungle areas, fostering the development of their forestry resources will contribute significantly to the achievement of the above-mentioned target.

2. Panama's renewable natural resources, particularly its forests, although abundant are exposed to damaging factors related to the tropical climate of the country. This is substantially aggravated by the use of irrational methods of production in agricultural activities which lead to a high rate of soil depletion and deforestation. In order to reverse this situation it is therefore of utmost importance to organize agricultural and forestry activities in a rational and scientific way.

* In accordance with General Assembly resolution 2688 (XXV) and subsequent authorizations of the UNDP Governing Council, reports are issued seriatim on the approval of UNDP assistance of $250,000 or more (including, if any, assistance financed by Government or by third-party cost-sharing).

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3. The Dirección Nacional de Recursos Naturales Renovables (RENARE) is the Government Agency responsible for the implementation of the corrective measures referred to in paragraph 2. However, in order for RENARE to function effectively it will be necessary to strengthen the organization both from the technical and administrative standpoints.

4. The Government of Panama has requested assistance which has been approved under the present project to cover the needs identified above.

II. Objectives and activities

5. The development objective of this project is to contribute to the preservation and rational utilization of the forestry resources of the country thus fostering the economic development of the least developed regions.

6. The immediate objectives of the project are to: (a) set specific targets leading to the preservation and rational utilization of the forestry resources of the country: (b) incorporate the forestry sector into the regional development plans, the National Development Strategy 1980-1990 and the Development Plan 1981-1985; (c) strengthen RENARE both technically and institutionally and train personnel.

7. Activities include the setting up of a training centre, a seed bank, and wood classification and preservation system, as well as the elaboration of several plans.

III. Inputs

8. UNDP will furnish through the Executing Agency the services of one Principal Technical Adviser in the field, 70 man-months of expert services under subcontract, fellowships and equipment.

9. To carry out the activities for which assistance is now approved, the Government of Panama will make available qualified professional and supporting staff, office space, supplies and equipment.

IV. Financial data

10. The expenditure components of the planned assistance are as follows:

	$
Personnel	192 100
Subcontract	210 000
Fellowships	15 000
Equipment	35 000
Miscellaneous	15 000
	467 100

11. The estimated total value, expressed in US dollars, of the inputs provided directly by the Government to the project is $98,700 in kind.